

## **At Former Plating Site, Compromise is King**

Over the years, the Bo-Win/Peninsula Plating Site in Blades, Delaware has had so many complications blocking its redevelopment, it looked like it would never be re-used, never be returned to the tax rolls, and never be more than a liability to the community. During this time the property was left vacant, the buildings deteriorated and the roof of one of the largest buildings collapsed. But, after more than a decade of starts and stops, the site will finally be redeveloped with at least 20 new housing units on this six-acre site.

The reason why this could take place is that each of the stakeholders at the site -- the EPA, the Delaware Department of Natural Resources and Environmental Control (DNREC), a Trust which was the mortgage holder on the property, the City of Blades and the Putnam Group -- decided to compromise, allowing the redevelopment to go forward. Each party will get *some* payback, which is better than none, if the site had remained dormant.

The EPA negotiated a compromise agreement with the Putnam Group, the site's developer, to pay the government \$75,000 to release the lien on the property. The EPA's original lien on the property had been \$400,000. However, the agency recognized only so much of the money spent on cleanup could be recovered, considering the limited market value of the site.

The previous owner of the property was a Trust who formerly held a mortgage on the property. The Trust agreed to convey the property to the Putnam Group for \$75,000, which is a small fraction of the \$420,000 that it was owed by the unpaid mortgage. Like EPA, the trust recognized only so much of the money could be recovered, considering the limited market value of the site.

The City of Blades agreed to waive claims it may have against the Trust that related to the safety of the building structures and it agreed to allow for the re-zoning of the property provided that the Putnam Group could demonstrate that the property could be reused safe from exposure of hazardous substances.

DNREC was able to assist with the reuse of the property by providing Brownfields grant money and by also providing staff that can evaluate risk that may remain at the Site.

The Putnam Group also agreed to a compromise because it paid \$150,000 plus it must enroll the property into DNREC's voluntary compliance program and by doing so take additional actions that will enable the property to be used for residential use.

Had any of these parties held out for more, the property would remain abandoned but because each party was willing to work together, the old dilapidated structures are being removed, any residual contamination is being addressed and the property will soon be available for residential use.

